

FORM  
2A

Rev  
04/01

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number:

2584978

Oil and Gas Location Assessment

New Location       Amend Existing Location      Location#: \_\_\_\_\_

Submit original plus one copy. This form is to be submitted to the COGCC prior to any ground disturbance activity associated with oil and gas development operations. This Assessment may be approved as a stand alone application or submitted as an informational report accompanying an Application for Permit-To-Drill, Form 2. Approval of this Assessment will allow for the construction of the below specified location; however, it does not supersede any land use rules applied by the local land use authority. This form may serve as notice to land owners and other interested parties, please see the COGCC web site at <http://colorado.gov/cogcc/> for all accompanying information pertinent to this Oil and Gas Location Assessment.

Location ID:

**420943**

Expiration Date:

**12/20/2013**

This location assessment is included as part of a permit application.

1. CONSULTATION

- This location is included in a Comprehensive Drilling Plan. CDP # \_\_\_\_\_
- This location is in a sensitive wildlife habitat area.
- This location is in a wildlife restricted surface occupancy area.
- This location includes a Rule 306.d.(1)A.ii. variance request.

2. Operator

Operator Number: 8725  
 Name: BLACK RESOURCES, INC  
 Address: 320 MUSTANG TRAIL  
 City: GRANBURY State: TX Zip: 76049

3. Contact Information

Name: BILL BLACK  
 Phone: (817) 573-8444  
 Fax: (817) 579-1144  
 email: BLACKMUSTANG@CHARTER.N ET

4. Location Identification:

Name: STATE Number: 12H-33-38-16  
 County: MONTEZUMA  
 Quarter: NWSW Section: 33 Township: 38N Range: 16W Meridian: N Ground Elevation: 6753

Define a single point as a location reference for the facility location. This point should be used as the point of measurement in the drawings to be submitted with this application. When the location is to be used as a well site then the point shall be a well location.

Footage at surface: 1928 feet FSL, from North or South section line, and 210 feet FWL, from East or West section line.  
 Latitude: 37.506740 Longitude: -108.628720 PDOP Reading: 7.0 Date of Measurement: 04/07/2010  
 Instrument Operator's Name: ERNEST MANESS

5. Facilities (Indicate the number of each type of oil and gas facility planned on location):

Special Purpose Pits: <input type="checkbox"/>	Drilling Pits: <input type="checkbox"/> <u>1</u>	Wells: <input type="checkbox"/> <u>1</u>	Production Pits: <input type="checkbox"/>	Dehydrator Units: <input type="checkbox"/>
Condensate Tanks: <input type="checkbox"/> <u>2</u>	Water Tanks: <input type="checkbox"/> <u>1</u>	Separators: <input type="checkbox"/> <u>1</u>	Electric Motors: <input type="checkbox"/> <u>1</u>	Multi-Well Pits: <input type="checkbox"/>
Gas or Diesel Motors: <input type="checkbox"/>	Cavity Pumps: <input type="checkbox"/>	LACT Unit: <input type="checkbox"/>	Pump Jacks: <input type="checkbox"/>	Pigging Station: <input type="checkbox"/>
Electric Generators: <input type="checkbox"/>	Gas Pipeline: <input type="checkbox"/> <u>1</u>	Oil Pipeline: <input type="checkbox"/>	Water Pipeline: <input type="checkbox"/>	Flare: <input type="checkbox"/>
Gas Compressors: <input type="checkbox"/>	VOC Combustor: <input type="checkbox"/>	Oil Tanks: <input type="checkbox"/>	Fuel Tanks: <input type="checkbox"/>	

Other: \_\_\_\_\_

6. Construction:

Date planned to commence construction: 12/10/2010 Size of disturbed area during construction in acres: 1.19
Estimated date that interim reclamation will begin: 09/01/2011 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 6755 Will a closed loop system be used for drilling fluids: Yes
Will salt sections be encountered during drilling: Yes No X Is H2S anticipated? Yes No X
Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes No X
Mud disposal: Offsite Onsite X Method: Land Farming Land Spreading Disposal Facility
Other: evaporation & backfill

7. Surface Owner:

Name: Phone:
Address: Fax:
Address: Email:
City: State: Zip: Date of Rule 306 surface owner consultation: 03/30/2010
Surface Owner: Fee State Federal Indian
Mineral Owner: Fee State Federal Indian
The surface owner is: X the mineral owner X committed to an oil and gas lease
X is the executer of the oil and gas lease the applicant
The right to construct the location is granted by: X oil and gas lease Surface Use Agreement Right of Way
applicant is owner
Surface damage assurance if no agreement is in place: \$2000 \$5000 Blanket Surety ID

8. Reclamation Financial Assurance:

X Well Surety ID: 20090082 Gas Facility Surety ID: Waste Mgnt. Surety ID:

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes No X
Distance, in feet, to nearest building: 500 , public road: 178 , above ground utilit: 166
, railroad: 162580 , property line: 510

10. Current Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: X Rangeland Timber Recreational Other (describe):
Subdivided: Industrial Commercial Residential

11. Future Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: X Rangeland Timber Recreational Other (describe):
Subdivided: Industrial Commercial Residential

12. Soils:

List all soil map units that occur within the proposed location. Attach the National Resource Conservation Service (NRCS) report showing the "Map Unit Description" report listing the soil typical vertical profile. This data is to used when segregating topsoil.

The required information can be obtained from the NRCS web site at <http://soildatamart.nrcs.usda.gov/> or from the COGCC web site GIS Online map page found at <http://colorado.gov/cogcc>. Instructions are provided within the COGCC web site help section.

NRCS Map Unit Name: MAP UNIT SYMBOL #149, ZIGZAG VERY CHANNERY CLAY LOAM, 3 TO 25 PERCENT SLOPES

NRCS Map Unit Name: \_\_\_\_\_

NRCS Map Unit Name: \_\_\_\_\_

### 13. Plant Community:

Complete this section only if any portion of the disturbed area of the location's current land use is on non-crop land.

Are noxious weeds present: Yes  No

Plant species from:  NRCS or,  field observation Date of observation: \_\_\_\_\_

List individual species: \_\_\_\_\_

Check all plant communities that exist in the disturbed area.

- Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
- Native Grassland (Bluestern, Grama, Wheatgrass, Buffalograss, Fescue, Oatgrass, Brome)
- Shrub Land (Mahogany, Oak, Sage, Serviceberry, Chokecherry)
- Plains Riparian (Cottonwood, Willow, Aspen, Maple, Poplar, Russian Olive, Tamarisk)
- Mountain Riparian (Cottonwood, Willow, Blue Spruce)
- Forest Land (Spruce, Fir, Ponderosa Pine, Lodgepole Pine, Juniper, Pinyon, Aspen)
- Wetlands Aquatic (Bullrush, Sedge, Cattail, Arrowhead)
- Alpine (above timberline)
- Other (describe): \_\_\_\_\_

### 14. Water Resources:

Rule 901.e. may require a sensitive area determination be performed. If this determination is performed the data is to be submitted with the Form 2A.

Is this a sensitive area:  No  Yes Was a Rule 901.e. Sensitive Areas Determination performed:  No  Yes

Distance (in feet) to nearest surface water: 281, water well: 8360, depth to ground water: 20

Is the location in a riparian area:  No  Yes Was an Army Corps of Engineers Section 404 permit filed  No  Yes

Is the location within a Rule 317B Surface Water Suppl Area buffer zone:

No  0-300 ft. zone  301-500 ft. zone  501-2640 ft. zone

If the location is within a Rule 317B Surface Water Supply Area buffer have all public water supply systems within 15 miles been notified:  No  Yes

### 15. Comments:

The reference area is located immediately adjacent to the well pad along the east side on undisturbed land. The Shed in the Corral Area and the Tack Shed will be razed.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: \_\_\_\_\_ Date: 10/25/2010 Email: BLACKMUSTANG@CHARTER.NET

Print Name: WILLIAM D. BLACK Title: PRESIDENT

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: \_\_\_\_\_

*David S. Nashin*

Director of COGCC

Date: 12/21/2010

**CONDITIONS OF APPROVAL, IF ANY:**

**All representations, stipulations and conditions of approval stated in this Form 2A for this location shall constitute representations, stipulations and conditions of approval for any and all subsequent operations on the location unless this Form 2A is modified by Sundry Notice, Form 4 or an Amended Form 2A.**

The completion/flowback pit must be fenced. If the completion/flowback pit is not closed (either drained and/or backfilled) immediately after well completion, then operator must appropriately net the completion/flowback pit, in a timely manner, and maintain both the fencing and netting until the pit is closed in accordance with Rule 905. Closure of Pits, and Buried or Partially Buried Produced Water Vessels.

If the reserve pit is used for storage of fracing flowback water or produce water during and/or after completion, then the reserve pit must be lined in accordance with Rule 904. Pit Lining Requirements and Specifications. Otherwise, the following COA will apply: COA 25 - Flowback to tanks only. Flowback and stimulation fluids shall be contained within tanks that are placed on the well pad in an area with additional downgradient perimeter berming.

Operator must implement best management practices to contain any unintentional release of fluids; including any fluids conveyed by temporary surface pipeline.

Location is in a sensitive area because of the potential for shallow groundwater; therefore either a lined drilling pit or a closed loop system must be implemented.

Location is in a sensitive area because of the potential for shallow groundwater; therefore production pits (including frac water flowback pits and produce water pits) must be lined.

The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of Table 910-1.

Location is in a sensitive area because of its proximity to surface water; therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations; potential option include, but are not limited to: construction of a berm or diversion dike (either around the entire well pad, portions of the well pad, or around specific vessels and/or structures); diversion/collection trenches within and/or outside of berms/dikes; site grading; or other comparable measures (i.e., BMPs associated with stormwater management) sufficiently protective of nearby surface water.

No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.

The height of derrick to drill the subject well will not be greater than 2/3rds of 166 feet, 111 feet. Per Operator the Rig proposed to drill the subject well has a derrick height of 110'.

### Attachment Check List

Att Doc Num	Name
2033520	PROPOSED BMPs
2033522	CORRESPONDENCE
2033524	CORRESPONDENCE
2033527	PROPOSED BMPs
2584978	FORM 2A
2584979	LOCATION PICTURES
2584980	LOCATION PICTURES
2584981	LOCATION PICTURES
2584982	LOCATION PICTURES
2584983	LOCATION DRAWING
2584984	HYDROLOGY MAP
2584985	ACCESS ROAD MAP
2584986	REFERENCE AREA MAP
2584987	REFERENCE AREA PICTURES
2584988	REFERENCE AREA PICTURES
2584989	REFERENCE AREA PICTURES
2584990	REFERENCE AREA PICTURES
2584991	NRCS MAP UNIT DESC
2584992	CONST. LAYOUT DRAWINGS
2584993	PROPOSED BMPs
2584994	OTHER
400106130	LOCATION DRAWING

Total Attach: 22 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED- JLV	12/13/2010 9:39:42 AM
DOW	Operator proposed bmps are sufficient	12/8/2010 11:39:08 AM
Permit	Surface Restoration Bond on file with SLB, per Tim Kelly. JLV	11/19/2010 3:20:32 PM
OGLA	Initiated/Completed OGLA Form 2A review on 11-12-10 by Dave Kubeczko; requested clarifications and acknowledgement of shallow GW lined pits/closed loop, close SW fluid containment/spill release BMPs, cuttings low moisture content, no pit in fill COAs from operator on 11-12-10; received clarifications and acknowledgement of COAs from operator on 11-15-10; passed by CDOW on 12-08-10, with operator submitted BMPs (with permit application) and state stipulations and COAs acceptable; passed OGLA Form 2A review on 12-08-10 by Dave Kubeczko; lined pits/closed loop, fluid containment/spill release BMPs, cuttings low moisture content, no pit in fill, fencing/netting COAs.	11/12/2010 9:37:31 AM
Permit	Emailed Tim Kelly at SLB for verification of Surface Restoration Bond- JLV	11/11/2010 1:55:33 PM

Total: 5 comment(s)

**BMP**

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)